



United States  
General Accounting Office  
Washington, D.C. 20548

Office of the General Counsel

Matter of: Able Forwarders, Inc.

File: B-252817

Date: April 19, 1993

**DIGEST**

In lieu of completing an exception sheet upon securing a shipment of household goods from a storage facility for delivery, the carrier noted on the rider that it had not been given any items not "✓ off" on the inventory. Review of the inventory markings shows little difference between an entered "✓" and an entered "✓," so that the carrier is presumed to have picked up items with either annotation.

**DECISION**

The Department of the Army appeals our Claims Group's determination that Able Forwarders, Inc., is entitled to a refund of \$2,423 that the Army set off from funds otherwise due the carrier. The set-off was for the loss of a number of items in a shipment of a service member's household goods that Able Forwarders had picked up from a nontemporary storage warehouse for delivery to the member at his new home.<sup>1</sup> The Claims Group agreed with the carrier, who had appealed the set-off, that the record showed that the warehouse never actually tendered the items to the carrier.

We reverse the settlement.

The items in issue are listed on the inventory prepared by the carrier that picked them up from the member originally, for delivery to the warehouse. When Able Forwarders' driver arrived at the warehouse to retrieve the shipment for delivery, he began to prepare a rider to the inventory listing missing and damaged items. However, after listing three missing items, the driver simply wrote on the inventory "All other items on inventory that was [sic] not ✓ off had . . . been taken." Able Forwarders has explained that the driver meant that he only received from the warehouse items that he checked off on the inventory.

<sup>1</sup>The shipment moved under Personal Property Government Bill of Lading No. PP-266,974. The goods had been in non-temporary storage for 5 years.

The inventory listed 102 items. Some had no mark next to the item number; many had the item number circled; many had a / to left of the number; and others had a / to the number's left. The Army initially set off funds against Able Forwarders for eight items the member asserted had not been delivered: six had /'s; one was circled; and one had a √. The Army later deleted the circled item from the set-off, and settled with the carrier on the √'d item--the other six items remain in issue.

Our Claims Group found that Able Forwarders was not liable for the six items, because the inventory mark next to each's number was a / instead of a √. The Army views the /'s as having the same effect as the √'s, i.e., either one indicates, according to the driver's note on the rider, that the driver retrieved the corresponding item from the warehouse. We agree with the Army.

When goods have passed through several custodians, the presumption at common law is that any loss or damage occurred in the hands of the last one. That custodian then can avoid liability by showing that the damage or loss did not occur while the item was in its custody. Air Land Forwarders, B-247425, June 26, 1992. For a carrier removing goods from a storage facility for delivery, that showing is made by preparing an exception sheet--a rider--to the inventory; the rider then can serve to rebut the general common law presumption of the last carrier's liability. See A-1 Ace Moving and Storage, Inc., B-243477, June 6, 1991.

The standard Tender of Service sets out the carrier's agreement to check each item in the storage lot against the inventory, and to specify any differences on the rider, which then is signed by both parties. We agree with the Claims Group to the extent that Able Forwarders' failure to complete the rider by specifying on it the items not received from the storage facility is not fatal to the carrier's case, since one can address the claim for loss by analyzing the inventory (in light of the driver's note). We disagree with the Claims Group, however, that such analysis supports relieving Able Forwarders of liability.

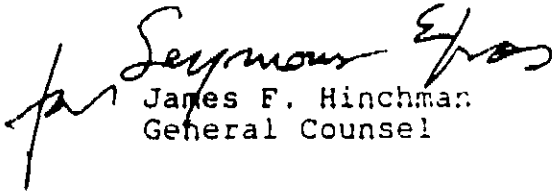
The inventory markings were entered by hand, and we see little difference between the /'s and the √'s as entered. There does not appear to have been a careful effort to distinguish between the two marks, so that many of them can be read as either a / or a √. In fact, there are marks that our Claims Group viewed as √'s that we would consider /'s<sup>2</sup>, and there are a number of items with /'s that actually were

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<sup>2</sup>For example, inventory items 28 and 37.

delivered (since the shipper did not claim them as missing)<sup>3</sup> and thus presumably were picked up from the storage facility by the carrier's driver.

In sum, based on our review of the markings on the inventory, we do not believe the record establishes that the items in issue were not given to Able Forwarders for delivery. The Claims Group's settlement is reversed.

James F. Hinchman  
General Counsel

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<sup>3</sup>For example, items 50, 55, and 59, among others.